



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

MICHAEL MAROFF,

Defendant.

INDICTMENT

24 Cr. 006

COUNTS ONE THROUGH SIX
(Aiding and Assisting the Preparation of False and Fraudulent Tax Returns)

The Grand Jury charges:

1. Unless stated otherwise, at all times relevant to this Indictment:

a. MICHAEL MAROFF, the defendant, was a resident of Rockland County,

New York.

b. MAROFF owned and operated two businesses located in Rockland County, New York: (1) General Home Systems Corporation (“GHS”), which provided home renovation and restoration to individuals and businesses; and (2) Monroe Commercial Properties (“MCP”), which managed rental real estate properties owned by MAROFF.

c. The income of GHS and MCP should have been reported on tax returns for those entities and then transferred to MAROFF’s individual income tax returns, where tax on the entities’ income would have been assessed.

2. Rather than deposit checks made payable to GHS and MCP into the entities’ respective bank accounts, MICHAEL MAROFF, the defendant, diverted and concealed business receipts for both entities and kept the cash for his personal use by: (i) directing customers and tenants of GHS and MCP to write checks for GHS and MCP to MAROFF personally, which MAROFF deposited into personal accounts rather than his designated business accounts;

(ii) cashing and not depositing checks received from customers and tenants; and (iii) directing customers and tenants to write checks to his wife.

3. MICHAEL MAROFF, the defendant, filed Internal Revenue Service (“IRS”) Forms 1120S, 1065, and 1040 for the tax years 2017 through 2019 inclusive. Specifically, GHS reported gross receipts on IRS Forms 1120S for the tax years 2017 through 2019. For tax year 2017, MCP reported rental income directly on MAROFF’s Schedule E on his Form IRS 1040, and for tax years 2018 and 2019, MCP filed Partnership returns on IRS Forms 1065.

4. MICHAEL MAROFF, the defendant, used the same tax preparer for his personal tax returns and the tax returns of GHS and MCP. MAROFF met with the tax preparer in the Southern District of New York and provided the tax preparer with bank statements for GHS and MCP, but did not disclose the diverted income.

5. As a result, MICHAEL MAROFF, the defendant, did not report more than \$1.1 million in gross receipts and rental income for GHS and MCP on the business tax returns for those entities, as well as his personal tax returns, for the years 2017 through 2019.

6. On or about the filing dates set forth below, in the Southern District of New York and elsewhere, MICHAEL MAROFF, the defendant, willfully and knowingly did aid and assist in, and procure, counsel, and advise the preparation and presentation under, and in connection with matters arising under, the internal revenue laws of the United States, of a return, affidavit, claim, and other document, to wit, IRS Forms 1120S, 1065, and 1040, which returns were fraudulent and false as to material matters, in that MAROFF fraudulently caused his tax return preparer to omit

income he received on his tax returns, thereby substantially understating his gross receipts as set forth below for the years set forth below:

COUNT	ENTITY	TAX YEAR	APPROX. FILING DATE	IRS FORM	UNREPORTED GROSS RECEIPTS
1	GHS	2017	08/23/2018	1120S	\$66,094.00
2	GHS	2018	10/06/2019	1120S	\$456,998.00
3	GHS	2019	07/14/2020	1120S	\$345,283.00
4	MCP	2017	08/23/2018	1040	\$32,650.00
5	MCP	2018	10/06/2019	1065	\$64,746.00
6	MCP	2019	07/14/2020	1065	\$80,883.00

(Title 26, United States Code, Section 7206(2).)

Lee O'Neill Net

FOREPERSON

Damian Williams

DAMIAN WILLIAMS
United States Attorney